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**Floor Statement of Senator Max Baucus (D-Mont.)
Regarding Reconsideration of the Medicare Bill**

The prophet Isaiah urged: "Cease to do evil, learn to do good; seek justice, correct oppression; defend the fatherless, plead for the widow."

Since 1965, Medicare has been about defending the disabled. Medicare has been about providing for the elderly. From its beginning, Medicare has been about doing good.

Before Medicare, old age was very much about widows. In 1960, a man could expect to live just a little more than 66 years. A woman could expect to live past 73.

Now, with the help of Medicare to provide health care for the elderly, men can expect to live beyond 75. And women can expect to live beyond 80.

Before Medicare, in 1959, more than 35 percent of the elderly lived in poverty. When President Johnson signed the Medicare Act into law, he said of the elderly:

"Most of them have low incomes. Most of them are threatened by illness and medical expenses that they cannot afford."

Thus, before Medicare, the elderly received poorer health care. They endured more pain. They met early death.

But then, 43 years ago, in July 1965, with my fellow Montanan Mike Mansfield looking on, President Johnson signed the Medicare program into law.

That day, President Johnson said:

"No longer will older Americans be denied the healing miracle of modern medicine. No longer will illness crush and destroy the savings that they have so carefully put away over a lifetime so that they might enjoy dignity in their later years. No longer will young families see their... own hopes, eaten away simply because they are carrying out their deep moral obligations to their parents...."

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“And no longer will this Nation refuse the hand of justice to those who have given a lifetime of service and wisdom and labor to the progress of this... country.”

Thus, from its beginning, Medicare has been a moral issue. Medicare has been about doing good.

I come to the floor today to speak in defense of Medicare. I come to plead for the widow. I come to fight for the disabled.

Today, Medicare is threatened. Healthcare costs have been growing rapidly.

Fed Chairman Bernanke told the Finance Committee’s healthcare summit:

“[H]ealth care . . . has long been, and continues to be, one of the fastest-growing sectors in the economy: Over the past four decades, this sector has grown, on average, at a rate of about two and a half percentage points faster than the GDP.”

But the fruits of a 1997 law threaten to cut — yes, cut — payments to the doctors who treat Medicare beneficiaries, unless we act.

If we don’t act, the law will force cuts in payments to doctors by 10.6 percent. We have to stop that cut.

That cut threatens access to care for America’s seniors. Already, some providers are declining Medicare patients.

Doctors know about these Medicare cuts. My Colleagues who have been in their home states over the July 4 break know that most doctors are very concerned about Medicare reimbursement.

The share of doctors accepting new Medicare patients has been falling. That trend will accelerate, if we don’t act. An American Medical Association survey found that if the scheduled cuts stay in effect, then 60 percent of doctors would have to limit the number of new Medicare patients whom they treat.

And these cuts also threaten access to health care for our military men and women. TRICARE uses the Medicare formula to pay their doctors, too. These cuts could endanger health care for military retirees and even for those on active duty.

The Military Officers Association of America reports that declining participation of providers due to low reimbursements is already one of the most serious healthcare problems facing military families. Real and threatened cuts in the level of Medicare reimbursements have caused many providers to stop accepting new TRICARE patients.

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Now, since 1965, there have been those few who did not think that Medicare was good. There have been those who have sought to call it evil.

In the 1960s, there were those on the fringe who called it “socialized medicine.” And in 1995, there were those who said that it was “going to wither on the vine.”

But the truth is that from the start, Medicare has had broad, bipartisan support. The original Medicare Act passed the House of Representatives with a vote of 307 to 116. It passed the Senate 70 to 24.

And that broad support was evident again on June 24, before the break. That day, the House of Representatives passed the Medicare Improvements for Patients and Providers Act. That bill would stop those cuts in doctors’ payments. The House passed that bill with an overwhelming vote of 355 to 59.

It received 355 votes. That’s better than six to one. Even among Republican Members of the House, more than twice as many voted for it than against it.

Now on June 26, the Senate fell one vote short of invoking cloture on the motion to proceed to that bill. But today, the Senate will reconsider that vote. We should. The Senate should take up and pass this Medicare bill.

The Senate should pass this Medicare bill, because there is no alternative. If we fail to enact this bill, millions of American seniors would be worse off. This bill can prevent that.

The House-passed bill is very similar to the Baucus-Snowe bill that the Senate considered earlier in June. But the House made three noteworthy changes.

First, the House-passed bill includes legislation to delay the competitive acquisition program for durable medical equipment.

Congress needs to ensure that these savings do not harm beneficiary access to care. We need to take a closer look at competitive bidding before it goes forward. And passage of this Medicare bill would allow that.

The House-passed bill also does not include cuts in funding for oxygen supplies and equipment. And it does not include cuts in funding for power wheelchairs.

Those who support these reforms make a good case. But ultimately, the cuts could not be included as part of this must-pass legislation.

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Mr. President, this bill is a balanced package. It's a compromise. It makes modest changes.

When the House passed its children's health bill last year, the House made major changes to the Medicare Advantage program. Last year's House CHIP bill would have significantly restructured the program. This House Medicare bill would not do that.

This bill includes a reduction in the double payment for medical education costs to private plans in Medicare. And this bill would protect seniors from unscrupulous marketing practices by private health plans.

And this bill would require so-called "private fee-for-service" plans to form provider networks. It would make sure that there are doctors there behind those plans.

This bill does not include deep cuts to Medicare Advantage payments. It does not cut private fee-for-service plan payments at all.

Now, I would like to go further on Medicare Advantage. But this is not the time. And this is not the legislation to do that.

This is the time to avert the pending cut in payments to doctors. That payment cut would devastate access to care for America's seniors. We cannot let that happen.

For Medicare beneficiaries, this Medicare bill would expand access to preventive services. It would eliminate the discriminatory copayment rates for seniors with mental illnesses. And it would provide additional, needed help for low-income seniors.

This Medicare bill would take important steps to shore up our healthcare system in rural areas. It includes provisions from the Craig Thomas Rural Hospital and Provider Equity Act.

The bill includes important relief for ambulance providers, community health centers, and primary care physicians. Primary care doctors represent the backbone of our health system.

This Medicare bill would make important improvements in pharmacy payments. It would make payments under the Part D drug benefit fairer — and more timely — to those who dispense drugs to our nation's senior citizens.

This bill would save money by providing a single bundled payment for all the services related to treating end-stage renal disease.

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And, for the first time, dialysis facilities would receive a permanent, market-based update to their payments each year. This would ensure that Medicare payments keep up with their costs.

This bill would expand emergency health care for veterans in rural areas. It would increase payments for doctors who work in rural areas. It would stop the payment cut to providers. It would give them a decent increase in reimbursement. And all this would help to ensure that seniors and military families will be able to keep seeing the doctors they need to see.

On July 30, 1965, President Truman watched President Johnson sign the Medicare Act. President Truman said, “Mr. President, I am glad to have lived this long and to witness today the signing of the Medicare bill, which puts this Nation right where it needs to be, to be right.”

Yes, from its beginning, Medicare has been a moral issue. Medicare has been about doing good.

And so, let us defend the elderly and disabled. Let us provide for our military families. And let us enact this important Medicare bill.

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